



Foreign Agricultural Service

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Uruguay

Livestock and Products

FMD Status and Traceability

2002

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Report Highlights:

As a result of the campaign implemented by the Government of Uruguay (GOU) to eradicate Foot-and-Mouth Disease (FMD), the European Union (EU) and Israeli export markets were opened to fresh boneless and matured beef as of November 1st, 2001. Subsequently, other markets such as Egypt, Peru, and North Eastern Brazil (only for offals) were also reopened. To comply with upcoming EU requirements to establish a traceability system to identify all cattle in Uruguay, the GOU is analyzing a traceability program which would be individual and optional.

Includes PSD changes: No
Includes Trade Matrix: No
Unscheduled Report
Buenos Aires [AR1], UY

As reported by the Uruguayan animal health authorities, Foot-and-Mouth Disease (FMD) has been controlled in Uruguay through slaughter of affected animals and vaccination. Around 28,000 head (including cattle, sheep, and swine) were killed from the first outbreak in October 2000 in Soriano, Department of Artigas, followed by about 2,000 additional outbreaks through April 2001 when virtually all foreign markets were closed to Uruguayan fresh/frozen beef. The last outbreak was detected in August 2001.

All cattle were also vaccinated last year. During 2002, the vaccination campaign planned by the Uruguayan Ministry of Livestock, Agriculture and Fisheries (MGAP) will be as follows: February: vaccination of all cattle; May: revaccination of all cattle; and November: vaccination of younger animals.

Currently, there is an oversupply of approximately 500,000 head of fed cattle in the field since slaughter decreased significantly, due to low prices, and strong Brazilian competition despite the reopening of the European and Israeli markets on November 1st, 2001. Exports of live cattle is not likely to happen in the near future. The main market for Uruguayan live cattle is Argentina. There are no sanitary restrictions to export live cattle to Argentina as long as they go to slaughter. However, producers are retaining their animals because prices are relatively low in Argentina.

Current export markets open to boneless and matured beef: EU, Israel, Egypt, Peru, and North Eastern Brazil (only for offals). Local contacts expect the NAFTA market to remain closed until 2003 or 2004.

Although for the time being the European Union is not requesting traceability on beef imports, it is expected that they will do so soon. The MGAP is analyzing a cattle traceability program which would be individual and optional. In other words, those producers who decide to identify and trace their cattle will have access to the EU export market. However, the Government of Uruguay (GOU) is facing strong opposition by some farm leaders who complain that developing and implementing a traceability system is not a priority for producers who are undergoing serious financial problems as a consequence of the FMD crisis and weak beef prices which have not yet recuperated.

Post proposes no changes in the supply and demand estimates for beef at this time, since previous estimates were based on the assumption that Uruguay would resume exports to these markets.